



Intelligence Assessment Évaluation du renseignement

SECRET

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Construction of the Trans Mountain Expansion Project:

On November 29, 2016, the Government of Canada approved the Kinder Morgan owned Trans Mountain Expansion Project (the Project) which will expand the existing 1,150-kilometre pipeline between Strathcona County (near Edmonton), Alberta, and Burnaby, British Columbia.

Key Assessments

The Trans Mountain Expansion Project

The \$6.8 billion project will create a twinned pipeline increasing the nominal capacity of the system from 300,000 barrels of bitumen to 890,000 barrels per day.

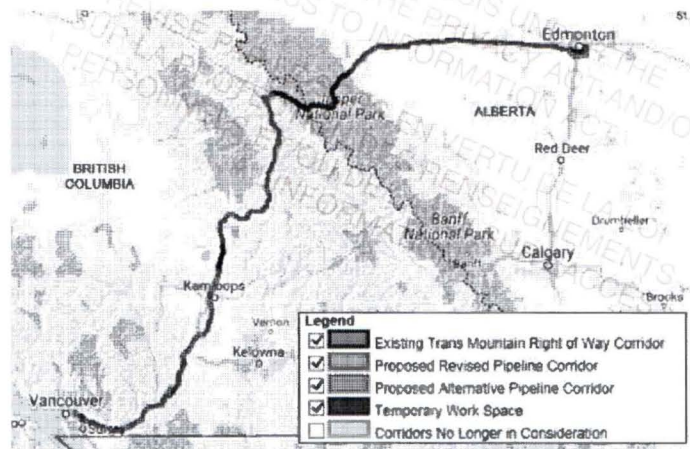
The Project will also include the construction of three new berths at the Westridge Marine Terminal and will result in a 14% increase in marine traffic in Port Metro Vancouver.

Construction on the Project could begin by the summer of 2017.

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Context

1. Opposition to the Project is not new. In late 2014 (while it was still under review by the National Energy Board), over 100 people were arrested by the RCMP on Burnaby Mountain for attempting to prevent Kinder Morgan from conducting integrity digs along the existing pipeline route (see map at right).



Over the past year, there have been numerous peaceful demonstrations nation-wide in opposition to the Project as well as several attempts to block access to Kinder Morgan's Westridge Marine Terminal both on land and by water.

In September 2016, representatives from approximately 50 North American First Nations signed the "Treaty Alliance against Tar Sands" and committed to collectively "stop all five current tar sands pipeline and tanker project proposals."

The Crisis of Climate Change

"...there is no plan of action, policy or strategy being advanced now by any political leader, climate action group or environmental organization playing by the rules that does anything but acquiesce to ruin. Our only hope is to step outside polite conversation and put our bodies and ourselves in the way. We must shut it down, starting with the most immediate threats; oil sands fuels and coal."

Statement from the American co-founder of Climate Direct Action, a group dedicated to using direct action to stop pipeline activity. His views are shared by some in the broader environmental movement.

Violent confrontations and resource development

Peaceful opposition to shale gas development escalated to violence between June and October 2013 near the Elsipogtog First Nation, New Brunswick, culminating with the RCMP enforcement of a provincial court injunction against the inhabitants of an encampment preventing a company from engaging in exploration work.

This confrontation resulted in multiple road blocks, equipment sabotage and over 100 arrests between June and December 2013 (See Annex A).

6. More recently, beginning in August 2016, widespread opposition to the Dakota Access Pipeline in North Dakota has coalesced around the Standing Rock Sioux Tribe (SRST), located near Bismarck, North Dakota (See Annex B). The SRST and its Indigenous and non-Indigenous supporters assert that the pipeline that would be constructed near their reservation will destroy their sacred sites and will threaten their water supply, which is drawn from the nearby Missouri River. Several violent confrontations between law enforcement and pipeline opponents have flared up since September resulting in hundreds of arrests and millions of dollars of damage to corporate equipment.

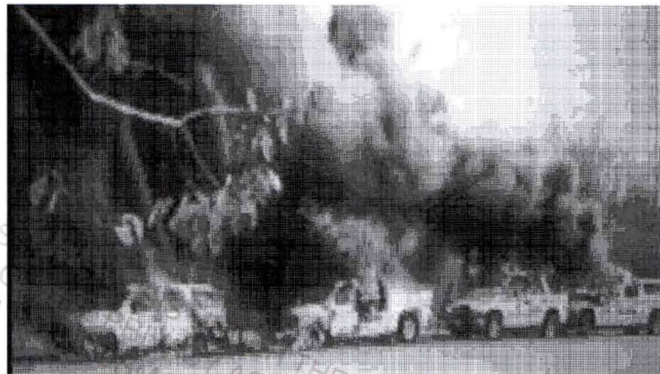
ANNEX A

Violent confrontation over seismic testing (hydraulic fracturing) in New Brunswick

On October 17, 2013, violence erupted near the Elsipogtog First Nation, New Brunswick, when the RCMP enforced a provincial court injunction against an encampment of Indigenous and non-Indigenous individuals,

The camp, situated on Highway 134 (near the town of Rexton), had blocked the facility and equipment of the Canadian subsidiary of Southwestern Energy (SWN) (an American-owned shale gas exploration company) since September 29, 2013. SWN Resources Canada sought to conduct preliminary seismic testing to ascertain if hydraulic fracturing was feasible.

During the October 17 raid and subsequent arrests, Molotov cocktails were thrown at the RCMP and at least one shot was fired from the nearby woods. Shortly after the initial RCMP raid, approximately 300 predominantly local Indigenous and some non-Indigenous individuals confronted and subsequently broke the RCMP line resulting in additional arrests. In total,



40 people (predominantly Indigenous individuals) were arrested, and six RCMP vehicles were destroyed by fire. The RCMP also recovered three firearms, knives, unspent ammunition and small improvised explosive devices (IEDs) from the camp. RCMP Assistant Commissioner Brown subsequently stated that the IEDs “were akin to a Boston Marathon-type of bombing.”

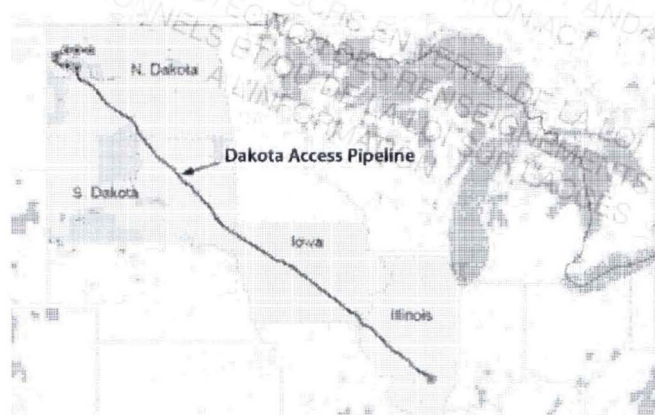
As a result of this opposition, multiple road blocks, equipment sabotage and over 100 arrests occurred between June and December 2013.

(excluding the estimated \$300,000 to replace the six RCMP vehicles), while the additional cost to law enforcement has reportedly surpassed \$4 million.

ANNEX B

The standoff at Standing Rock, North Dakota

Dakota Access, a subsidiary of American-owned Energy Transfer Crude Oil Company (Energy Transfer), is attempting to construct a 1,886-km-long pipeline (Dakota Access Pipeline [DAPL]) to transport approximately 570,000 barrels of crude oil per day from the Bakken/Three Forks play in North Dakota to Illinois. Construction of the \$3.8 billion project began in early 2016 and was scheduled to be completed late this year. The pipeline does not enter Canada.



The Standing Rock Sioux Tribe (SRST) and its Indigenous and non-Indigenous supporters assert that the pipeline, which would be constructed near their reservation, will destroy their sacred sites and will threaten their water supply, which is drawn from the nearby Missouri River. Moreover, the SRST filed an injunction in U.S. Federal Court in an attempt to stop construction of the pipeline, asserting that the project was inappropriately approved by the United States (US) Army Corps of Engineers (USCE). The Court ruled against the SRST on September 9, 2016, but the Justice Department, Interior Department and the USCE immediately ordered a pause on any construction under the Missouri River (land administered by the USCE) pending a reconsideration of the approval process. Energy Transfer recently filed their own injunction asking the courts to grant it immediate authority to complete the pipeline. In early December, the USCE indicated that they would not grant Energy Transfer the easement required to complete the pipeline. While happy with the decision, opponents do not see it as a permanent victory and have vowed to stay at the camp.

Open source information suggests that thousands of people have travelled to the SRST from across the US, Canada and around the world in order to show support.

Additionally, sabotage of corporate equipment.



including two National Guard trucks (see photo above),

Open source information indicates that the majority of camp attendees are not from the SRST and most of those arrested are not from North Dakota.

There have been numerous peaceful solidarity events in support of the camps in both the US and Canada.

The most significant action to date in solidarity with the SRST occurred in October 2016 when ten members of the American environmental group Climate Direct Action (CDA) illegally accessed five pipeline sites and engaged the manual safety valves to stop the flow of oil through four major pipelines from Canada into the US. As a result of these actions, open source reporting claimed that the affected pipelines were non-operational for up to seven hours as a safety measure.

All ten CDA members were arrested and face a range of charges, including criminal trespass, sabotage, burglary and criminal mischief.

Four of the CDA's actions targeted Canadian-owned pipelines: Enbridge (Lines 4 and 67), TransCanada (Keystone Pipeline) and Spectra Energy Partners (Express Pipeline).² Messaging from the CDA and other alternative media outlets highlight the need to prevent "dirty" Canadian oil from entering the US.

² American-owned Kinder Morgan was also targeted.

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